

District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
1301 W Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

DEC - 8 2008

Form C-141  
Revised October 10, 2003

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

**OCD-ARTESIA** Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

**Release Notification and Corrective Action**

n8EB0835929844

**OPERATOR**

X Initial Report Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 South 4 <sup>th</sup> Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name Walt Canyon AMA Federal #4	Facility Type Producing well

Surface Owner Federal	Mineral Owner Federal	Lease No.
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3001528361

**LOCATION OF RELEASE**

Unit Letter B	Section 3	Township 22s	Range 24e	Feet from the 860'	North/South Line FNL	Feet from the 1780'	East/West Line FEL	County Eddy
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Latitude 32.4257 Longitude 104.48302

**NATURE OF RELEASE**

Type of Release Hydrocarbon & Produced water	Volume of Release 10 bbls Hydrocarbon 490 bbls produced water	Volume Recovered 0 Hydrocarbon 0 produced water
Source of Release Below grade flow line from well	Date and Hour of Occurrence 11/23/2008 7:00pm	Date and Hour of Discovery 11/23/2008 7:00pm
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? NMOCD/Mike Bratcher's voice mail box	
By Whom? Mike Stubblefield	Date and Hour 11/24/2008 11:25am	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse	

If a Watercourse was Impacted, Describe Fully \*

**Describe Cause of Problem and Remedial Action Taken \***

The below grade flow line was found to be leaking in two areas near the wellhead. The first release area was 10' due south of the wellhead on location, the second release area was 40' due south of the wellhead on location. The below grade line was excavated and removed from service, a new flow line will be installed above grade.

**Describe Area Affected and Cleanup Action Taken \***

The impacted area was located on and off the location. The impacted areas on location were on the removed flow line. Area A located 10' south of the well head & area B located 40' south of the wellhead. The impacted areas labeled A & B were excavated to a depth of 6' BGS. Composite soil samples were taken on 12/3/2008 from the excavated areas and the removed stockpiled soil. The impacted area off the location is located east of the location. This area is steep in grade. The release ran under the location and exited the location pad in a narrow flow path running east of the location. This area was measured to be 5'-15' x 300'. There was a small pooling area found at the end of the release. A water sample was taken from the release fluid in this area on 11/24/2008.

Soil samples were taken for analytical from the impacted area located east of the location on 11/24/2008. The soil samples taken were then submitted to a second party lab and analysis ran for TPH using EPA Method 8015m, and B-TEX using EPA Method 8260. Analysis was run for the Chlorides using EPA Method 4500CLB. The analytical results dated 12/1/2008 received from Cardinal Lab reported the TPH & B-TEX to be under the RRAL for the site. The Chlorides were reported to be 368 ppm in the impacted area located east of the location. The Chlorides were reported to be 1,190 ppm in the water sample taken on 11/24/2008. The TPH & B-TEX are under the RRAL for the site. The Chlorides as documented pose no risk to surface waters or ground waters. The impacted area on location will be further delineated for the GRO & DRO. A work plan will be submitted to OCD for the correction of the impacted areas on location. When analytical results report the TPH to be under the RRAL for the site, Yates Petroleum Corporation will submit the final C-141 form for the release that occurred on 11/24/2008 requesting closure.

Depth to ground water > 100', Wellhead protection area > 1000', Distance to surface water body < 1000' Site ranking 10

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature <i>Mike Stubblefield</i>		<b>OIL CONSERVATION DIVISION</b>	
Printed Name Mike Stubblefield		Approved by District Supervisor <i>Teunby SB</i>	Remediation Actions to be completed and Final C-141 submitted with confirmation analyses/documentation on or before the Expiration Date.
Title Environmental Regulatory Agent		Approval Date <i>12-24-08</i>	Expiration Date <i>2-25-2009</i>
E-mail Address <i>mikes@ypcnm.com</i>		Conditions of Approval. <i>STIPULATIONS</i>	Attached <input checked="" type="checkbox"/>
Date 12/4/2008 Phone 505-748-4500			

Attach Additional Sheets If Necessary

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